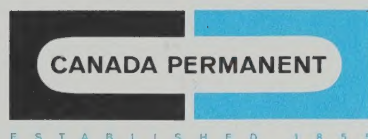


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ANNUAL REPORTS
FOR 1967



Our Standing at a Glance

1967

COMBINED TOTAL ASSETS, owned and under administration	\$2,769,932,857
CONSOLIDATED NET PROFIT	\$ 4,842,535
CONSOLIDATED NET PROFIT PER SHARE	70.6¢
COMBINED DEPOSITS, debentures and guaranteed investment certificates	\$1,008,512,661
COMBINED TOTAL MORTGAGES	\$ 797,900,707
ESTATES, TRUSTS AND AGENCIES	\$1,698,402,312

A Report to the Shareholders

Nineteen hundred and sixty-seven was another satisfactory year for our companies, although it was the third consecutive year of unsettled conditions. Our experience was a further indication of the confidence which the public has in Canada Permanent, which had its beginning one hundred and thirteen years ago.

The highlights of the combined operations of Canada Permanent Mortgage Corporation and its subsidiary, Canada Permanent Trust Company, which merged with Eastern & Chartered Trust Company on December 1st, are set out on page one.

The assets of the Mortgage Corporation grew by \$58,000,000 in round figures, compared to the gain of \$41,200,000 in 1966. Of last year's increase, \$38,300,000 reflects increased borrowings and \$18,300,000 resulted from the purchase of shares in the amalgamated Trust Company, received in exchange for treasury shares of the Corporation, producing an equivalent increase in shareholders' funds.

Debentures increased by \$42,500,000 but there was a decrease in savings deposits of \$4,200,000.

Our net profit on the year's ordinary borrowing and lending operations shows a gain of approximately \$93,300, an increase of about 2% over the corresponding figure for 1966. This result was

achieved after increasing the transfer to mortgage reserve by \$111,000, after absorbing a substantial premium required under the new Canada Deposit Insurance Act, after meeting the higher costs of borrowed money, and rising administrative costs of all kinds.

The net profit for the year on all operations amounted to \$3,353,442, compared to \$3,721,963 in 1966. However, it should be explained that the reason for this decrease was that in 1966 we realized security profits of \$759,000, whereas the corresponding figure in 1967 was only \$215,000.

The dividend paid for the year 1967 was 55¢ per share; the 1966 dividend was 51¢. With the declaration of the October 1967 dividend, the stock was placed on a regular quarterly basis of 14¢. There was carried forward at the end of the year in undivided profits the sum of \$923,199, compared to \$445,527 at the end of 1966.

As previously mentioned, Canada Permanent Trust Company merged during the year with Eastern & Chartered Trust Company the effective date being December 1, 1967, as approved by the Governor in Council of Canada. The name of the amalgamated Trust Company is Canada Permanent Trust Company. As will be noted in one of the footnotes to the balance sheet, Canada Permanent Mortgage Corporation had acquired as at December 31st,

1967, over 90% of the shares of the new Trust Company. We believe this amalgamation will be beneficial to the shareholders of the Corporation as, apart from the fact that the operations of the two Trust Companies complement one another and we strengthen our position particularly in the Atlantic Provinces and in Metropolitan Toronto, we also add to our directorate and Advisory Boards many capable business men and, as well, enlarge our experienced staff.

As a result of the merger, we now have eighty-four offices from coast to coast. There are seven or eight places where we will be combining offices and we expect eventually to have seventy-five integrated branches with at least one in every province, extending from Victoria, B.C. to St. John's, Newfoundland. In several of the cities where consolidation is to take place, it will be necessary to erect new office premises to take care of the rapidly growing business at those points, notably Saint John, N.B. and St. John's, Newfoundland.

The new Trust Company experienced an excellent year and record gains were made in all departments. Profits for 1967, after making full provisions for mortgage reserves, deposit insurance premiums and all contingencies, amounted to \$2,603,676. As there were certain differences in the accounting and reporting practices of the two companies constitut-

ing the amalgamated company, it is not feasible to give comparative figures for the Trust Company.

This year, for the first time, we have augmented our report by providing a consolidated balance sheet and consolidated statements of revenue and expenses, undivided profits and reserve fund, which give a true picture of our size, showing total assets including assets under administration of \$2,769,932,857 and consolidated profits of \$4,842,535.

Again, as was the case last year, the senior officials of our two institutions are listed as a single management unit. The list embodies a number of changes, as additional appointments were made during the year. Our two companies operate as one and we wish this feature to be realized by our customers and prospective customers.

Once again, the thanks of the Directors go to the members of the staff, now some 2,800, for their loyalty and devotion to their respective duties and for the manner in which they have met the many unusual problems related to amalgamation. The good results we are able to show would not have been reached without their co-operation.

C. F. MACKENZIE,
Chairman of the Board and President

Toronto, January 24, 1968

Canada Permanent Mortgage Corporation

BOARD OF DIRECTORS

Chairman of the Board and President

CHARLES F. MACKENZIE, LL.B., LL.D. TORONTO

Vice-Presidents

HON. T. D'ARCY LEONARD, C.B.E., Q.C., LL.D. TORONTO

Member of The Senate of Canada

HENRY S. GOODERHAM TORONTO

President, The Dominion of Canada General Insurance Company

JOHN A. MACAULAY, Q.C., LL.D. WINNIPEG

Partner, Aikins, MacAulay & Company

LAURENCE M. SAVAGE GALT, ONTARIO

Company Director

ALLEN T. LAMBERT TORONTO

Chairman of the Board and President, The Toronto-Dominion Bank

W. LEO KNOWLTON, Q.C. TORONTO

Company Director

DONALD K. TOW, O.B.E.* TORONTO

WILLIAM H. MOWAT VANCOUVER

DONALD MCINNES, Q.C., LL.D., D.C.L. HALIFAX

Partner, McInnes, Cooper & Robertson

COLIN M. A. STRATHY, Q.C. TORONTO

Partner, Strathy, Archibald, Seagram & Cole

FREDERICK G. GARDINER, Q.C., LL.D. TORONTO

Partner, Gardiner, Roberts, Anderson, Conlin, Fitzpatrick, O'Donohue & White

A. BRUCE MATTHEWS, C.B.E., D.S.O. TORONTO

Chairman of the Board, The Excelsior Life Insurance Company

NORMAN S. ROBERTSON, Q.C. TORONTO
Partner, Robertson, Lane, Perrett, Frankish & Estey

BRIAN R. B. MAGEE TORONTO
President, A. E. LePage Limited

BEVERLEY MATTHEWS, C.B.E., Q.C. TORONTO
Partner, McCarthy & McCarthy

ARTHUR L. BISHOP TORONTO
Chairman, The Consumers' Gas Company

EDGAR G. BURTON, C.B.E. TORONTO
Chairman, Simpsons, Limited

ELIOT S. FROSST MONTREAL
Director, Canadian Imperial Bank of Commerce

WILLIAM C. HARRIS TORONTO
Chairman, Harris & Partners Limited

J. K. MACDONALD TORONTO
President, Confederation Life Association

GORDON F. MACLAREN, M.B.E., Q.C. OTTAWA
Partner, MacLaren, Laidlaw & Corlett

DONALD A. MCINTOSH, Q.C. TORONTO
Partner, Fraser, Beatty, Tucker, McIntosh & Stewart

J. W. ROSE TORONTO

CLIFFORD SIFTON, D.S.O. TORONTO
Chairman, Armadale Co. Limited

F. G. WINSPEAR, F.C.A., LL.D. EDMONTON
Company Director

H. CLIFFORD HATCH RIVERSIDE, ONTARIO
President, Hiram Walker-Gooderham & Worts, Limited

THOMAS A. BOYLES TORONTO
Executive Vice-President, The Bank of Nova Scotia

CHARLES F. HONEYMAN TORONTO

BALANCE SHEET

ASSETS

	1967	1966
Cash	\$ 7,487,908	\$ 7,596,467
Loans secured by bonds and stocks	—	1,095,674
	<u>7,487,908</u>	<u>8,692,141</u>
Securities (<i>Note 1</i>)		
Bonds of or guaranteed by the Government of Canada	37,250,623	34,886,105
Bonds of or guaranteed by Provinces of Canada	5,979,155	6,465,992
Bonds of Canadian municipalities	1,486,988	1,565,339
Other bonds and debentures	9,124,781	8,694,571
Stocks	16,650,417	15,512,183
	<u>70,491,964</u>	<u>67,124,190</u>
Stock of Canada Permanent Trust Company at cost (<i>Note 2</i>)	31,500,647	13,202,935
Mortgages, less reserve	452,432,974	415,110,047
Office premises and equipment at cost, less depreciation	12,763,000	12,188,000
	<u>\$574,676,493</u>	<u>\$516,317,313</u>

We hereby certify that to the best of our knowledge and belief the balance sheet at December 31, 1967 and the accompanying statements of revenue, expenses and undivided profits and of reserve fund for the year ended December 31, 1967 are correct and show truly and clearly the financial condition of the Corporation's affairs and the results of its operations.

C. F. MACKENZIE, *Chairman of the
Board and President*

J. W. ROSE, *Chief General Manager*

Directors

DECEMBER 31, 1967

LIABILITIES

	1967	1966
Deposits	\$136,112,175	\$140,345,254
Debentures	376,110,134	333,560,872
Income taxes	1,625,803	985,389
Dividend payable January 2, 1968	745,570	798,825
Accounts due and accrued	29,000	28,446
	<u>514,622,682</u>	<u>475,718,786</u>
Deferred income taxes	<u>1,597,400</u>	<u>1,002,000</u>

SHAREHOLDERS' FUNDS (Note 2)

Capital stock		
Authorized—10,000,000 shares of the par value of \$2 each		
Issued — 6,857,351 shares (1966—5,325,500 shares)	13,714,702	10,651,000
Reserve fund	43,818,510	28,500,000
Undivided profits	923,199	445,527
	<u>58,456,411</u>	<u>39,596,527</u>
	<u>\$574,676,493</u>	<u>\$516,317,313</u>

NOTES

1. SECURITIES
Government of Canada and Provincial securities are stated at amortized cost. Other securities, after application of investment reserve, are stated at amounts which in total are not in excess of quoted market value.
2. STOCK OF CANADA PERMANENT TRUST COMPANY AND SHAREHOLDERS' FUNDS
Effective December 1, 1967, Canada Permanent Trust Company and Eastern & Chartered Trust Company amalgamated to form a new company under the name, Canada Permanent Trust Company, with an authorized capital of 2,500,000 shares of the par value of \$10 each. The 592,327 issued shares of \$10 par value each of Eastern & Chartered Trust Company were converted into a similar number of fully paid shares in the new company. The 230,800 issued shares of \$20 par value each of the former Canada Permanent Trust Company were converted into 519,300 fully paid shares in the amalgamated company and the Corporation received 509,550 new shares after adjustments for directors' qualifying shares.
In accordance with the terms of the amalgamation agreement, the Corporation offered to purchase shares of the amalgamated Canada Permanent Trust Company, not owned by it, at a price of \$36 per share, to be satisfied by the issue to the holder for each such share of three fully paid shares of treasury stock of the Corporation of the par value of \$2 per share and valued at \$12 per share. As of December 31, 1967 the Corporation had purchased 510,617 shares of the amalgamated company for which it issued 1,531,851 shares of treasury stock valued at \$18,382,212 of which \$3,063,702 was credited to capital stock and \$15,318,510 to reserve fund.
As a result of these transactions and adjustments of directors' qualifying shares, the Corporation held a total of 1,011,467 shares of the amalgamated company as at December 31, 1967. The Corporation could be called upon to purchase an additional 81,710 shares of the amalgamated company and issue 245,130 shares of its treasury stock.
3. RESTATEMENT OF 1966 FIGURES
The figures for 1966 have been restated where necessary to conform with 1967.

Canada Permanent Mortgage Corporation

STATEMENT OF REVENUE, EXPENSES AND UNDIVIDED PROFITS

FOR THE YEAR ENDED DECEMBER 31, 1967

REVENUE	1967	1966
Income from mortgage loans	\$32,690,126	\$28,900,901
Income from bonds and stocks	3,845,576	3,597,078
Dividends from Canada Permanent Trust Company	903,575	902,947
Other operating revenue	1,709,165	1,684,679
Total Revenue	<u>39,148,442</u>	<u>35,085,605</u>
EXPENSES		
Interest on deposits and debentures	24,720,781	21,683,650
Staff remuneration and other benefits	3,887,000	3,672,618
Depreciation	551,575	503,364
Other operating expenses, including rents, commissions, advertising, printing and stationery, etc.	4,275,956	3,717,125
Transfer to mortgage reserve	1,145,000	1,034,000
Total Expenses	<u>34,580,312</u>	<u>30,610,757</u>
Operating profit before income taxes	4,568,130	4,474,848
Net gain on sale of bonds and stocks	215,312	759,115
	<u>4,783,442</u>	<u>5,233,963</u>
Provision for income taxes	1,430,000	1,512,000
Net profit for the year	3,353,442	3,721,963
Undivided profits at beginning of year	445,527	439,569
	<u>3,798,969</u>	<u>4,161,532</u>
Dividends	2,875,770	2,716,005
	<u>923,199</u>	<u>1,445,527</u>
Transfer to investment reserve	—	1,000,000
Undivided profits at end of year	<u>\$ 923,199</u>	<u>\$ 445,527</u>

STATEMENT OF RESERVE FUND

Balance at beginning of year	\$28,500,000	\$28,500,000
Premium on issue of shares of the Corporation (Note 2)	15,318,510	—
Balance at end of year	<u>\$43,818,510</u>	<u>\$28,500,000</u>

Auditors' Report

To the shareholders of

CANADA PERMANENT MORTGAGE CORPORATION

We have examined the balance sheet of Canada Permanent Mortgage Corporation as at December 31, 1967 and the statements of revenue, expenses and undivided profits and of reserve fund for the year then ended, and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these financial statements exhibit a true and correct view of the state of the Corporation's affairs as at December 31, 1967, and the results of its operations for the year then ended, according to the best of our information and the explanations given to us and as shown by the books of the Corporation.

KRIS A. MAPP, F.C.A.
of Thorne, Gunn, Helliwell & Christenson

C. C. MACKECHNIE, F.C.A.
of Price Waterhouse & Co.

Auditors

Toronto, January 22, 1968

Chairman of the Board

DONALD MCINNES, Q.C., LL.D., D.C.L. HALIFAX
Partner, McInnes, Cooper & Robertson

President

CHARLES F. MACKENZIE, LL.B., LL.D. TORONTO

Vice-Presidents

ARTHUR L. BISHOP TORONTO
Chairman, The Consumers' Gas Company

THOMAS A. BOYLES TORONTO
Executive Vice-President, The Bank of Nova Scotia

HENRY S. GOODERHAM TORONTO
*President, The Dominion of Canada
 General Insurance Company*

CHARLES G. GREENSHIELDS, Q.C. MONTREAL
Barrister and Solicitor

ROY A. JODREY, LL.D., D.C.L. HANTSPOOT, N.S.
President, Minas Basin Pulp & Power Co. Limited

W. LEO KNOWLTON, Q.C. TORONTO
Company Director

ALLEN T. LAMBERT TORONTO
*Chairman of the Board and President,
 The Toronto-Dominion Bank*

JOHN A. MACAULAY, Q.C., LL.D. WINNIPEG
Partner, Aikins, MacAulay & Company

JOHN C. MACKEEN, LL.D. HALIFAX
Chairman, Nova Scotia Light & Power Co. Ltd.

A. BRUCE MATTHEWS, C.B.E., D.S.O. TORONTO
Chairman, The Excelsior Life Insurance Company

WILLIAM H. MOWAT VANCOUVER

LAURENCE M. SAVAGE GALT, ONTARIO
Company Director

W. DENT SMITH TORONTO
Company Director

DONALD K. TOW, O.B.E.* TORONTO

HON. JOHN B. AIRD, Q.C. TORONTO
Partner, Edison, Aird & Berlis

CHARLES S. BAND TORONTO
*Vice-President, The Manufacturers Life
 Insurance Company*

STEWART G. BENNETT, M.C. TORONTO
Director, Canada Packers Limited

SIDNEY M. BLAIR TORONTO
Vice-Chairman, Canadian Bechtel Limited

W. J. BORRIE VANCOUVER
Chairman, Pemberton Securities Limited

JOHN R. BRADFIELD TORONTO
Chairman, Noranda Mines Limited

CHARLES F. W. BURNS TORONTO
Chairman, Burns Bros. and Denton Limited

EDGAR G. BURTON, C.B.E. TORONTO
Chairman, Simpsons, Limited

HARRY J. CARMICHAEL, C.M.G. TORONTO
Industrialist

CYRIL F. H. CARSON, Q.C., LL.D. TORONTO
Partner, Tilley, Carson, Findlay & Wedd

E. R. ERSKINE CARTER TORONTO
President, The Patino Mining Corporation

J. M. RICHARD CORBET TORONTO
Director, Mattagami Lakes Mines Ltd.

EDWARD F. CREASE HALIFAX
President, Alfred J. Bell & Grant Ltd.

HON. THOMAS A. CRERAR, Q.C. WINNIPEG

G. ERIC ELLSWORTH TORONTO
Company Director

C. MAURICE P. FISHER SACKVILLE, N.B.
Vice-President, The Enterprise Foundry Co. Ltd.

SHELDON L. FOUNTAIN HALIFAX
President, North-Eastern Corporation, Ltd.

ALBERT S. FRASER MONTREAL
President, Investment Foundation Ltd.

ELIOT S. FROSST MONTREAL
Director, Canadian Imperial Bank of Commerce

G. GORDON GALE OTTAWA

FREDERICK G. GARDINER, Q.C., LL.D. TORONTO
*Partner, Gardiner, Roberts, Anderson,
 Conlin, Fitzpatrick, O'Donohue & White*

HON. LOUIS P. GÉLINAS, M.B.E. MONTREAL
Geoffrion, Robert & Gélinas, Inc.

JEAN-J. GOURD, Q.C. MONTREAL
Partner, Gourd, Monette, Lesage & Groleau

WILLIAM C. HARRIS TORONTO
Chairman, Harris & Partners Limited

H. CLIFFORD HATCH RIVERSIDE, ONTARIO
*President, Hiram Walker-Gooderham &
 Worts, Limited*

IRECTORS

GEORGE L. HOLMES, F.S.A. TORONTO
Chairman, The Manufacturers Life Insurance Company

HON. GORDON B. ISNOR HALIFAX
Member of the Senate of Canada

HENRY R. JACKMAN, Q.C. TORONTO
President, Dominion & Anglo Investment Corporation Ltd.

RONALD H. JENKINS CALGARY
President, Burritt Travel Service Ltd.

J. H. MOWBRAY JONES, D.ENG. LIVERPOOL, N.S.
Director, The Bowater Paper Corporation Limited

OAKAH L. JONES TORONTO
President and General Manager, The Consumers' Gas Company

HON. R. L. KELLOCK, Q.C., LL.D. TORONTO
Counsel, Blake, Cassels & Graydon

LEON J. LADNER, Q.C., LL.D. VANCOUVER
Partner, Ladner, Downs, Ladner, Locke, Clark & Lenox

HON. T. D'ARCY LEONARD, C.B.E., Q.C., LL.D. . TORONTO
Member of the Senate of Canada

*GORDON C. LINDSAY, C.B.E. TORONTO

EDWARD D. LOUGHNEY PITTSBURGH, U.S.A.
Executive Vice-President, Gulf Oil Corporation

SIR DENYS LOWSON, BART. LONDON, ENGLAND
Chairman, Algoma Central Railway

J. K. MACDONALD TORONTO
President, Confederation Life Association

HON. J. KEILLER MACKAY,
D.S.O., V.D., Q.C., LL.D., D.C.L. TORONTO
Chairman, Bramalea Consolidated Developments Limited

A. MURRAY MACKAY, LL.D. HALIFAX
Chairman, Maritime Telegraph & Telephone Co. Ltd.

GORDON F. MACLAREN, M.B.E., Q.C. OTTAWA
Partner, MacLaren, Laidlaw & Corlett

JOHN MACNEIL, Q.C. SYDNEY, N.S.
Partner, MacNeil, MacNeil & Colborne

BRIAN R. B. MAGEE TORONTO
President, A. E. LePage Limited

H. W. MANNING WINNIPEG
Company Director

BEVERLEY MATTHEWS, C.B.E., Q.C. TORONTO
Partner, McCarthy & McCarthy

DONALD A. MCINTOSH, Q.C. TORONTO
Partner, Fraser, Beatty, Tucker, McIntosh & Stewart

NORMAN J. MCLEAN TORONTO
Director, Canada Packers Limited

MAYNARD A. METCALF, C.B.E. MONTREAL

SIDNEY C. OLAND, C.D., V.D., LL.D. HALIFAX
Chairman, Oland & Son, Limited

GORDON P. OSLER TORONTO
Chairman and President, UNAS Investments Limited

RALPH D. PARKER TORONTO

J. M. PIGOTT, C.B.E. HAMILTON
Chairman, Pigott Construction Company Limited

NORMAN S. ROBERTSON, Q.C. TORONTO
Partner, Robertson, Lane, Perrett, Frankish & Estey

JOHN J. ROBINETTE, Q.C. TORONTO
Counsel, McCarthy & McCarthy

DAVID P. ROGERS TORONTO
Chairman, Union Gas Co. of Canada, Ltd.

RHYS M. SALE, LL.D. TORONTO
Company Director

J. ARDAGH SCYTHES TORONTO
Chairman, Scythes & Company Ltd.

CLIFFORD SIFTON, D.S.O. TORONTO
Chairman, Armadale Co. Limited

WALLACE W. SMITH LUNENBURG, N.S.
President, Lunenburg Sea Products Ltd.

JAMES W. SPEIRS WINNIPEG
President, Modern Dairies Ltd.

COLIN M. A. STRATHY, Q.C. TORONTO
Partner, Strathy, Archibald, Seagram & Cole

E. HAROLD TANNER, O.B.E. CALGARY
Vice-President, Tanner Bros. Ltd.

THOMAS WILDING TORONTO
Director, Shaw & Begg Limited

CHARLES N. WILSON SAINT JOHN, N.B.
President, The Standard Dredging Co. Ltd.

KENNETH A. WILSON, Q.C. MONTREAL
Counsel, Lafleur & Brown

F. G. WINSPEAR, F.C.A., LL.D. EDMONTON
Company Director

ASSETS

Cash	\$ 7,012,520
Loans secured by bonds and stocks	3,581,283
	<u>10,593,803</u>
Securities (<i>Note 1</i>)	
Bonds of or guaranteed by the Government of Canada	33,064,322
Bonds of or guaranteed by Provinces of Canada	56,073,320
Bonds of Canadian municipalities	19,263,687
Other bonds and debentures	45,355,966
Stocks	12,603,395
	<u>166,360,690</u>
Advances to estates, trusts and agencies	1,599,525
Mortgages, less reserve	345,467,733
Office premises and equipment at cost, less depreciation (<i>Note 2</i>)	5,419,000
	<u>\$ 529,440,751</u>

TOTAL ASSETS UNDER ADMINISTRATION

Cash, securities and other assets held for estates, trusts and agencies	\$1,698,402,312
Company's Capital and Guaranteed Account assets	529,440,751
	<u>\$2,227,843,063</u>

We hereby certify that to the best of our knowledge and belief the balance sheet at December 31, 1967 and the accompanying statements of revenue, expenses and undivided profits and of reserve fund for the year ended December 31, 1967 are correct and show truly and clearly the financial condition of the Company's affairs and the results of its operations.

DONALD MCINNES, *Chairman of the Board*

C. F. MACKENZIE, *President and
Chief Executive Officer*

J. W. ROSE, *Chief General Manager*

} *Directors*

DECEMBER 31, 1967

LIABILITIES

Guaranteed Account

Deposits	\$ 157,783,958
Guaranteed Investment Certificates	339,592,446
	<hr/> 497,376,404
Accounts due and accrued	72,008
Dividend payable January 2, 1968 to shareholders of Eastern & Chartered Trust Company . .	207,315
Income taxes	630,940
	<hr/> 910,263
Deferred income taxes	<hr/> 681,000

SHAREHOLDERS' FUNDS (Note 3)

Capital stock

Authorized—2,500,000 shares of the par value of \$10 each	
Issued —1,111,627 shares	11,116,270
Reserve fund	17,500,000
Undivided profits	1,856,814
	<hr/> 30,473,084
	<hr/> <u>\$ 529,440,751</u>

NOTES

1. SECURITIES

Government of Canada and provincial securities are stated at amortized cost. Other securities are stated at amounts which in total are not in excess of quoted market value. Of the aggregate amount set aside as reserves for mortgages and investments a portion thereof has been applied to reduce the carrying value of securities to the basis set out above and the balance of such reserves has been applied against the carrying value of mortgages.

2. OFFICE PREMISES

The Company has entered into an agreement to sell certain of its office premises in 1968. It is the present intention of the Company that the resulting gain estimated at \$2,500,000 will be carried to its investment reserve.

3. SHAREHOLDERS' FUNDS

Effective December 1, 1967 Canada Permanent Trust Company and Eastern & Chartered Trust Company amalgamated to form a new company under the name, Canada Permanent Trust Company, with an authorized capital of 2,500,000 shares of the par value of \$10 each. The 592,327 issued shares of \$10 par value each of Eastern & Chartered Trust Company (of which 530 shares were issued for cash during the year) were converted into a similar number of fully paid shares in the new company. The 230,800 issued shares of \$20 par value each of the former Canada Permanent Trust Company were converted into 519,300 fully paid shares in the amalgamated company.

4. RESULTS OF OPERATIONS

The statement of revenue, expenses and undivided profits of the amalgamated company for the year ended December 31, 1967 has been prepared as if the amalgamation had taken place on the first day of January, 1967.

Canada Permanent Trust Company

STATEMENT OF REVENUE, EXPENSES AND UNDIVIDED PROFITS

FOR THE YEAR ENDED DECEMBER 31, 1967

REVENUE

Income from mortgage loans	\$23,522,058
Fees and commissions	14,136,305
Income from bonds and stocks	9,390,005
Other operating revenue	908,509
Total Revenue	<u>47,956,877</u>

EXPENSES

Interest on deposits and Guaranteed Investment Certificates	24,424,108
Staff remuneration and other benefits	11,778,280
Depreciation	379,229
Other operating expenses, including rents, commissions, advertising, printing and stationery, etc.	6,060,708
Transfer to mortgage reserve	777,000
Total Expenses	<u>43,419,325</u>

Operating profit before income taxes	4,537,552
Net loss on sale of assets after transferring \$135,599 capital gains to investment reserve	8,876
	<u>4,528,676</u>
Provision for income taxes	1,925,000
Net profit for the year	<u>2,603,676</u>
Undivided profits at beginning of year	1,234,652
	<u>3,838,328</u>
Dividends	1,752,216
	<u>2,086,112</u>
Transfer to reserve fund	229,298
Undivided profits at end of year	<u><u>\$ 1,856,814</u></u>

STATEMENT OF RESERVE FUND

Balance at beginning of year	\$17,834,982
Premium on stock options exercised	12,720
Transfer from undivided profits	229,298
	<u>18,077,000</u>
Amount transferred to capital stock as a result of amalgamation	577,000
Balance at end of year	<u><u>\$17,500,000</u></u>

Auditors' Report

To the shareholders of

CANADA PERMANENT TRUST COMPANY

We have examined the balance sheet of Canada Permanent Trust Company as at December 31, 1967 and the statements of revenue, expenses and undivided profits and of reserve fund for the year ended on that date, and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these financial statements exhibit a true and correct view of the state of the Company's affairs as at December 31, 1967, and the results of its operations for the year ended on that date, according to the best of our information and the explanations given to us and as shown by the books of the Company.

KRIS A. MAPP, F.C.A.
of Thorne, Gunn, Helliwell & Christenson

J. R. M. WILSON, F.C.A.
of Clarkson, Gordon & Co.

PEAT, MARWICK, MITCHELL & CO.

Auditors

Toronto, January 22, 1968

ASSETS

December 31, 2015

Cash	\$ 13,414,376
Loans secured by bonds and stocks	3,581,283
	<u>16,995,659</u>
Securities (<i>Note 2</i>)	
Bonds of or guaranteed by the Government of Canada	70,314,945
Bonds of or guaranteed by Provinces of Canada	62,052,475
Bonds of Canadian municipalities	20,750,675
Other bonds and debentures	54,480,747
Stocks (<i>Note 3</i>)	29,253,812
	<u>236,852,654</u>
Advances to estates, trusts and agencies	1,599,525
Mortgages, less reserve	797,900,707
Office premises and equipment at cost, less depreciation (<i>Note 4</i>)	18,182,000
	<u>\$1,071,530,545</u>

TOTAL ASSETS UNDER ADMINISTRATION

Cash, securities and other assets held for estates, trusts and agencies	\$1,698,402,312
Consolidated assets as above (including assets of \$497,376,404 held for guaranteed account)	1,071,530,545
	<u>\$2,769,932,857</u>

Mortgage Corporation

pany

Trust Company

BALANCE SHEET

1967

LIABILITIES

Deposits	\$ 135,026,123
Debentures	376,110,134
Guaranteed account deposits and certificates	497,376,404
	<u>1,008,512,661</u>
Income taxes	2,256,743
Dividends payable January 2, 1968	952,885
Accounts due and accrued	101,008
	<u>3,310,636</u>
Deferred income taxes	2,278,400
Minority interest	<u>2,424,271</u>

SHAREHOLDERS' FUNDS

Capital stock	
Authorized—10,000,000 shares of the par value of \$2 each	
Issued — 6,857,351 shares (<i>Note 5</i>)	13,714,702
Reserve fund (<i>Note 6</i>)	39,838,172
Undivided profits	1,451,703
	<u>55,004,577</u>
	<u>\$1,071,530,545</u>

ON BEHALF OF THE BOARD:

C. F. MACKENZIE, <i>Chairman of the Board and President</i>	} <i>Directors</i>
J. W. ROSE, <i>Chief General Manager</i>	

Canada Permanent Mortgage Corporation

and its subsidiary company

Canada Permanent Trust Company

CONSOLIDATED STATEMENT OF UNDIVIDED PROFITS AND RESERVE FUND

FOR THE YEAR ENDED DECEMBER 31, 1967

UNDIVIDED PROFITS

Balance at January 1, 1967	\$ 543,252
Consolidated net profit for the year	4,842,535
	<hr/>
	5,385,787
	<hr/>
Dividends:	
Canada Permanent Mortgage Corporation	2,875,770
Eastern & Chartered Trust Company	829,016
	<hr/>
	3,704,786
Transfer to reserve fund	229,298
	<hr/>
	3,934,084
	<hr/>
Balance at December 31, 1967	\$ 1,451,703
	<hr/>

RESERVE FUND

Balance at January 1, 1967	\$27,281,436
Premium on issue of shares of the Corporation (<i>Note 5</i>)	15,318,510
Transfer from undivided profits	229,298
	<hr/>
	42,829,244
Deduction of premium paid on acquisition of additional shares in amalgamated Canada Permanent Trust Company (<i>Note 6</i>)	2,991,072
	<hr/>
Balance at December 31, 1967	\$39,838,172
	<hr/>

Canada Permanent Mortgage Corporation

and its subsidiary company

Canada Permanent Trust Company

CONSOLIDATED STATEMENT OF REVENUE AND EXPENSES

FOR THE YEAR ENDED DECEMBER 31, 1967

REVENUE

Income from mortgage loans	\$56,212,184
Fees and commissions	14,136,305
Income from bonds and stocks	13,235,581
Other operating revenue	2,027,617
Total revenue	<u>85,611,687</u>

EXPENSES

Interest on deposits, debentures and guaranteed investment certificates	49,144,889
Staff remuneration and other benefits	15,665,280
Depreciation	930,804
Other operating expenses, including rents, commissions, advertising, printing and stationery, etc.	9,766,232
Transfer to mortgage reserve	1,922,000
Total expenses	<u>77,429,205</u>

Operating profit before income taxes	8,182,482
Net gain on sale of assets after transferring \$135,599 capital gains of subsidiary to investment reserve	206,436
	<u>8,388,918</u>
Provision for income taxes	3,355,000
	<u>5,033,918</u>
Minority interest in profits	191,383
Net profit for the year	<u>\$ 4,842,535</u>

Earnings per share on the total shares outstanding on December 31, 1967	<u>70.6¢</u>
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Canada Permanent Mortgage Corporation

and its subsidiary company

Canada Permanent Trust Company

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 1967

1. BASIS OF CONSOLIDATION

The acquisition by the Corporation of certain shares of the amalgamated Canada Permanent Trust Company (Note 5 below) has been treated in the accompanying financial statements as involving a pooling of the interests of the Corporation and Eastern & Chartered Trust Company as at January 1, 1967, having regard to the circumstances and the deduction of premium referred to in Note 6 below.

2. SECURITIES

Government of Canada and provincial securities are stated at amortized cost. Other securities, after application of investment reserve, are stated at amounts which in total are not in excess of quoted market value.

3. STOCKS

Included in the investment in stocks are 112,500 shares of Canada Permanent Mortgage Corporation purchased by its subsidiary, Canada Permanent Trust Company, as an investment and carried at cost, \$606,659.

4. OFFICE PREMISES

The Corporation's subsidiary has entered into an agreement to sell certain of its office premises in 1968. It is the present intention of the subsidiary that the resulting gain estimated at \$2,500,000 will be carried to its investment reserve.

5. CAPITAL STOCK

In accordance with the terms of the amalgamation and purchase offer, the Corporation offered to purchase shares of the amalgamated Canada Permanent Trust Company not owned by it, at a price of \$36 per share, to be satisfied by the issue to the holder for each such share of three fully paid shares of treasury stock of the Corporation of the par value of \$2 and valued at \$12 per share.

As at December 31, 1967, 1,531,851 shares had been issued in consideration for the purchase of 510,617 shares of the amalgamated Canada Permanent Trust Company, and of the proceeds \$3,063,702 was credited to capital stock and \$15,318,510 to reserve fund. The Corporation could be called upon to purchase an additional 81,710 shares of the amalgamated company and issue 245,130 shares of its treasury stock.

6. RESERVE FUND

For purposes of consolidation, the premiums paid on acquisition of shares in the subsidiary, Canada Permanent Trust Company (arising in 1961 as a result of the amalgamation of The Canada Permanent Trust Company and The Toronto General Trusts Corporation and in 1967 as a result of the amalgamation of Canada Permanent Trust Company and Eastern & Chartered Trust Company), have been deducted from the consolidated reserve fund.

Auditors' Report

To the directors of

CANADA PERMANENT MORTGAGE CORPORATION

In respect of the year ended December 31, 1967, the undersigned were the auditors of Canada Permanent Mortgage Corporation and Mr. K. A. Mapp, F.C.A., Mr. J. R. M. Wilson, F.C.A. and Peat, Marwick, Mitchell & Co. were the auditors of its subsidiary company, Canada Permanent Trust Company. The reports of the auditors for both companies indicated that their examinations included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as they considered necessary in the circumstances. In connection with the examination referred to below, Mr. C. C. Mackechnie, F.C.A. has relied on the report of the auditors of Canada Permanent Trust Company.

We have examined the consolidated balance sheet of Canada Permanent Mortgage Corporation and its subsidiary company, Canada Permanent Trust Company, as at December 31, 1967 and the consolidated statements of revenue and expenses and of undivided profits and reserve fund for the year then ended. In our opinion these consolidated financial statements present fairly the financial position of the companies as at December 31, 1967 and the results of their operations for the year then ended.

KRIS A. MAPP, F.C.A.
of Thorne, Gunn, Helliwell & Christenson

C. C. MACKECHNIE, F.C.A.
of Price Waterhouse & Co.

} *Auditors*

Toronto, January 22, 1968

Officers of Canada Permanent

Head Office, Canada Permanent Building, 320 Bay Street, Toronto

President and Chief Executive Officer CHARLES F. MACKENZIE, LL.B., LL.D.

Executive Vice-President DONALD K. TOW, O.B.E.*

Chief General Manager J. W. ROSE

General Managers C. F. HONEYMAN *Mortgage and Savings Division*

J. W. MILLAR, Q.C. *Trust Division*

K. BURN, Q.C. *General Counsel*

Deputy General Managers F. A. WANSBROUGH R. P. HOWARD

GEORGE D. LAVEROCK D. G. NEELANDS

Assistant General Managers

J. E. BROOME E. J. BROWN, Q.C. E. G. DEWLING R. M. HAZELTON

J. D. HEPBURN BERKELEY HYNES J. D. PORTER, C.A.—*Comptroller* H. W. PURCHASE—*Treasurer*

E. E. SPENCER A. E. STEAD, C.A. B. B. UPSHALL W. C. WHITESIDE

Secretary RONALD A. PARKER

Assistant Treasurers ROBERT R. PEACE, G. E. GORDON FORBES, J. F. MILLER

Atlantic Provinces Division

Deputy General Manager JOHN K. WEDLAKE, *Halifax*

Assistant General Manager MURRAY A. NORTH, *Halifax*

Quebec Division

Deputy General Manager J. E. NADEAU, *Montreal*

Assistant General Manager I. G. SEWELL, *Montreal*

Manitoba Division

Deputy General Manager C. R. WILSON, *Winnipeg*

Western Division

Vice-President W. H. MOWAT, *Vancouver*

Deputy General Manager S. J. BUDGE, *Vancouver*

Assistant General Manager H. K. NAYLOR, *Vancouver*

*Deceased, January 27, 1968.

Canada Permanent Offices

TORONTO

320 BAY STREET, TORONTO 1	Manager—C. F. HONEYMAN
253 BAY STREET, TORONTO 1	Manager—BERKELEY HYNES
34 KING STREET WEST, TORONTO 1	Manager—COLIN CURRIE
36 BLOOR STREET WEST, TORONTO 5	Manager—W. G. HOWLETT
10 ST. CLAIR AVENUE WEST, TORONTO 7	Manager—LYLE H. WILSON
1901 YONGE STREET, TORONTO 7	Manager—E. J. BROWN, Q.C.
123 EGLINTON AVENUE EAST, TORONTO 12	Manager—G. W. B. KAY
3335 YONGE STREET, TORONTO 12	Manager—M. K. LONGBOTTOM
2901 DANFORTH AVENUE, TORONTO 13	Manager—WILLIAM B. FAHEY
1943 WESTON ROAD, TORONTO 15	Manager—LEN LOEVENMARK
2972 BLOOR STREET WEST, TORONTO 18	Manager—DAVID H. BOYD
3114 BATHURST STREET, TORONTO 19	Manager—F. R. CORDICK
148 YORKDALE SHOPPING CENTRE, TORONTO 19	Manager—BRANT WILSON
45 EGLINTON SQUARE, SCARBOROUGH, ONT.	Manager—PAUL ABBOTT
2518 BAYVIEW AVENUE, WILLOWDALE, ONT.	Manager—J. M. ROBERTSON
4833 YONGE STREET, WILLOWDALE, ONT.	Manager—H. M. FALCONER

Real Estate Offices

2968 BLOOR STREET WEST, TORONTO 18
28 EGLINTON SQUARE, SCARBOROUGH, ONT.

ST. JOHN'S, NEWFOUNDLAND

240 WATER STREET, ST. JOHN'S	Manager—JACK DALE
275 WATER STREET, ST. JOHN'S	Manager—J. B. ELLS

CHARLOTTETOWN

129 KENT STREET, CHARLOTTETOWN, P.E.I.	Manager—DONALD H. STANHOPE
154 RICHMOND STREET, CHARLOTTETOWN, P.E.I.	Manager—A. M. JAMIESON

HALIFAX

1646 BARRINGTON STREET, HALIFAX, N.S.	Manager—J. E. DONAHOE
5160 PRINCE STREET, HALIFAX, N.S.	Manager—MURRAY A. NORTH

DARTMOUTH

170 PORTLAND STREET, DARTMOUTH, N.S.	Manager—F. A. KIELEY
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LUNENBURG

36 KING STREET, LUNENBURG, N.S.	Manager—F. W. CHENHALL
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NEW GLASGOW

141 PROVOST STREET, NEW GLASGOW, N.S.	Manager—C. D. FULMORE
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SYDNEY

199 CHARLOTTE STREET, SYDNEY, N.S.	Manager—H. T. YOUNG
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SAINT JOHN, N.B.

MARKET SQUARE AND DOCK STREET, SAINT JOHN	Manager—R. R. SCARBOROUGH
111 PRINCE WILLIAM STREET, SAINT JOHN	Manager—A. C. MACGREGOR
9 CHARLOTTE STREET, SAINT JOHN	Manager—D. L. LESTER

MONCTON

814 MAIN STREET, MONCTON, N.B.	Manager—J. E. DINGWELL
--------------------------------	------------------------

FREDERICTON

- 636 QUEEN STREET, FREDERICTON, N.B. *Manager*—R. S. PAYNE
67 CARLETON STREET, FREDERICTON, N.B. *Acting Manager*—D. H. MCALARY

MONTREAL

- 600 DORCHESTER BOULEVARD WEST, MONTREAL 2 *Manager*—J. E. NADEAU
625 DORCHESTER BOULEVARD WEST, MONTREAL 2 *Manager*—D. B. LANE
1326 GREEN AVENUE, WESTMOUNT, QUE. *Manager*—J. G. WIGGLESWORTH

Real Estate Office

- 85 METROPOLITAN BOULEVARD, POINTE CLAIRE, QUE.

OTTAWA

- 30 METCALFE STREET, OTTAWA 4 *Manager*—E. H. SMITH
91 SPARKS STREET, OTTAWA 4 *Manager*—S. MENTIPLY

BROCKVILLE

- 20 KING STREET WEST, BROCKVILLE, ONT. *Manager*—R. N. BEECH

PORT HOPE

- 113 WALTON STREET, PORT HOPE, ONT. *Manager*—C. M. LAWSON

OSHAWA

- OSHAWA SHOPPING CENTRE, OSHAWA, ONT. *Manager*—J. W. FROUD

OAKVILLE

- 233 LAKESHORE ROAD EAST, OAKVILLE, ONT. *Manager*—J. H. HERRING

HAMILTON

- 47 JAMES STREET SOUTH, HAMILTON, ONT. }
7 KING STREET EAST, HAMILTON, ONT. } *Manager*—J. H. DEASON

Real Estate Office

- 950 KING STREET WEST, HAMILTON, ONT.

BRANTFORD

- 70 MARKET STREET, BRANTFORD, ONT. *Manager*—T. N. STRONG

GALT

- 27 WATER STREET NORTH, GALT, ONT. *Manager*—E. J. PATTERSON

KITCHENER

- 19 KING STREET EAST, KITCHENER, ONT. *Manager*—J. L. COLLIS

WOODSTOCK

- 539 DUNDAS STREET, WOODSTOCK, ONT. *Manager*—A. A. MOWAT

LONDON

- 361 RICHMOND STREET, LONDON, ONT. *Manager*—NORMAN A. MITCHELL

WINDSOR

- 545 OUELLETTE AVENUE, WINDSOR, ONT. *Manager*—H. L. VINCENT

SARNIA

- 195 CHRISTINA STREET NORTH, SARNIA, ONT. *Manager*—N. J. LUNDVALL

SUDBURY

- 120 DURHAM STREET SOUTH, SUDBURY, ONT. *Manager*—R. J. D. DENCH

SAULT STE. MARIE

629 QUEEN STREET EAST, SAULT STE. MARIE, ONT.....*Manager*—E. HAMILTON SMITH

PORT ARTHUR

239 ARTHUR STREET, PORT ARTHUR, ONT.....*Manager*—E. S. HIRD

WINNIPEG

433 PORTAGE AVENUE, WINNIPEG 2.....*Manager*—C. R. WILSON

394 PORTAGE AVENUE, WINNIPEG 2.....*Acting Manager*—NORMAN FRIESEN

REGINA

1778 SCARTH STREET, REGINA.....*Manager*—C. W. CONRAD

SASKATOON

170 SECOND AVENUE SOUTH, SASKATOON.....*Manager*—A. KEITH FORSYTH

CALGARY

315 EIGHTH AVENUE S.W., CALGARY.....*Manager*—HOWARD P. MILLER

480 SEVENTH AVENUE S.W., CALGARY.....*Manager*—E. R. JONES

CHINOOK CENTRE, MACLEOD TRAIL, CALGARY.....*Manager*—R. B. BANKS

EDMONTON

10038 JASPER AVENUE, EDMONTON.....*Manager*—S. B. NOBLE

DAWSON CREEK

10208 TENTH STREET, DAWSON CREEK, B.C.....*Manager*—R. K. LANE

PRINCE GEORGE

444 VICTORIA STREET, PRINCE GEORGE, B.C.....*Manager*—R. E. WHITE

KAMLOOPS

190 SEYMOUR STREET, KAMLOOPS, B.C.....*Manager*—D. F. GILLIS

330 SEYMOUR STREET, KAMLOOPS, B.C.....*Manager*—J. D. LANK

PENTICTON

262 MAIN STREET, PENTICTON, B.C.....*Manager*—F. MURPHY

CHILLIWACK

61 YALE ROAD EAST, CHILLIWACK, B.C.....*Manager*—B. W. TOWLER

VANCOUVER

455 GRANVILLE STREET, VANCOUVER 2.....*Managers*—S. J. BUDGE, G. A. J. WILSON

400 BURRARD STREET, VANCOUVER 2.....*Manager*—H. K. NAYLOR

2699 GRANVILLE STREET, VANCOUVER 9.....*Manager*—R. S. ROBSON

2154 WEST 41ST AVENUE, VANCOUVER 13.....*Manager*—J. W. ROGERS

302 RICHMOND SQUARE, RICHMOND, B.C.....*Manager*—F. T. BROWN

Real Estate Offices

4488 MAIN STREET, VANCOUVER 10

2001 WEST 41ST AVENUE, VANCOUVER 13

1764 LONSDALE AVENUE, NORTH VANCOUVER, B.C.

3953 EAST HASTINGS STREET, BURNABY, B.C.

804 COOK ROAD, RICHMOND, B.C.

VICTORIA

1125 DOUGLAS STREET, VICTORIA.....*Manager*—R. FRANK ALLEN

Branch Advisory Boards

ST. JOHN'S, NFLD.	<i>Chairman</i> E. L. HICKMAN LEWIS H. M. AYRE HON. CAMPBELL L. MACPHERSON, O.B.E., LL.D. E. J. PHELAN, Q.C. E. A. PRATT	P. B. RENDELL H. D. ROBERTS, M.D. G. M. STIRLING, Q.C. WILLIAM A. TILLER
CHARLOTTETOWN, P.E.I.	<i>Chairman</i> G. ELLIOTT FULL R. L. COTTON N. H. DeBLOIS	J. A. McMILLAN, M.D. H. B. SCHURMAN
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FREDERICTON, N.B.	<i>Chairman</i> D. C. CAMPBELL BRIG. E. C. BROWN B. L. JEWETT, M.D.	ARTHUR McF. LIMERICK, Q.C. FRANK I. MORRISON
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LUNENBURG, N.S.	<i>Chairman</i> WALLACE W. SMITH JAMES R. CREASER LYLE D. HOPKINS LEON J. IVERSEN J. H. MOWBRAY JONES	HON. J. J. KINLEY MURRAY MOSHER STANLEY S. RAFUSE ROSS N. RITCEY
NEW GLASGOW, N.S.	<i>Chairman</i> J. DRUMMOND MacGREGOR J. SIMON FRASER WALDO GOODMAN D. CREIGHTON JEWKES	DONALD R. MACKAY E. C. MINGO THOMAS C. SEDGWICK, Q.C.
SYDNEY, N.S.	<i>Chairman</i> JOHN MACNEIL, Q.C. ROY D. DUCHEMIN, Q.C. GORDON ELMAN JAMES G. HACKETT, Q.C.	D. OWEN HARTIGAN DANIEL A. MACDONALD RUSSELL G. URQUHART
MONTREAL, QUE.	<i>Chairman</i> ELIOT S. FROSST A. E. BALLOCH ROGER L. BEAULIEU, Q.C. J. A. DeLALANNE ALBERT S. FRASER HON. LOUIS P. GÉLINAS JEAN-J. GOURD, Q.C. C. G. GREENSHIELDS, Q.C.	FRANK S. MCGILL, C.B. MAYNARD A. METCALF JACQUES R. NADEAU, C.A. R. PANET-RAYMOND WILLIAM H. WALLACE KENNETH A. WILSON, Q.C. ALBERT E. WOODS

OTTAWA, ONT.

Chairman GORDON F. MACLAREN, M.B.E., Q.C.
G. E. BEAMENT, O.B.E., Q.C.
JOHN M. COYNE, Q.C.
C. F. ELDERKIN
D. HAMILTON FINDLAY
G. GORDON GALE

ROY H. HYNDMAN, A.F.C.
C. J. MACKENZIE, C.M.G., D.Sc., LL.D.
DONALD MACLAREN
A. E. NORCROSS
P. STUART SECORD, O.B.E.

HAMILTON, ONT.

Chairman J. M. PIGOTT, C.B.E.
C. H. BOOTHE
EMILE L. DUBOIS
RAMSEY A. EVANS, Q.C.
D. H. HENDERSON

K. B. PAULIN
WILLIAM P. PIGOTT
T. F. RAHILLY, JR.
J. G. SMITH

WINNIPEG, MAN.

Chairman JOHN A. MACAULEY, Q.C., LL.D.
JOHN F. BALDNER
R. H. G. BONNYCASTLE
E. S. COOPER
HON. T. A. CRERAR
T. A. EASTON
ARTHUR E. JOHNSTON, Q.C.

ARNOLD G. KIRKNESS
H. W. MANNING
S. PRICE RATTRAY
T. BRUCE ROSS
J. W. SPEIRS

REGINA, SASK.

Chairman C. MORLEY WILLOUGHBY
C. ROBERTS DAVIDSON, Q.C.
HON. GORDON B. GRANT

JOHN W. PEART
NORMAN E. WHITMORE

SASKATOON, SASK.

Chairman M. A. EAST
ROY H. BOWMAN
SIDNEY L. BUCKWOLD
DAVID E. GAULEY, Q.C.

HERBERT C. PINDER
JAMES H. W. SANDERSON
C. G. SCHMITT, Q.C.

CALGARY, ALTA.

Chairman E. HAROLD TANNER, O.B.E.
J. A. BRUSSET
GEORGE E. EDWORTHY
W. N. GRABURN
HON. HARRY HAYS
R. H. JENKINS
REGINALD F. JENNINGS

J. HOWARD KELLY, Q.C.
CHARLES KENNEDY
J. ANGUS MCKINNON
BRETT F. SINE
JOHN STEVENSON

EDMONTON, ALTA.

Chairman F. G. WINSPEAR, F.C.A., LL.D.
G. T. CORLETT
H. A. DYDE, O.B.E., M.C., Q.C., LL.D.
GEORGE W. GOLDEN

OLIVER C. MCINTYRE
(MRS.) MARY H. MOONEY

VANCOUVER, B.C.

Chairman LEON J. LADNER, Q.C., LL.D.
RALPH D. BAKER
W. J. BORRIE
GEORGE C. BRADLEY
RALPH T. CUNNINGHAM
R. J. FILBERG, O.B.E.
J. L. GIBSON
FRANK A. GRIFFITHS, C.A.
G. E. W. HEMMANS
HUGH L. KEENLEYSIDE, Ph.D., D.Sc., LL.D.

LEON J. KOERNER, LL.D.
N. A. M. MACKENZIE, C.M.G., Q.C., LL.D.
T. H. MCCLELLAND
W. H. MOWAT
WALTER S. OWEN, Q.C., LL.D.
P. R. SANDWELL
R. DOUGLAS WELCH
NORMAN R. WHITTALL
HAROLD M. WRIGHT

KAMLOOPS, B.C.

Chairman J. R. PYPER
T. A. BULMAN
R. I. DALGLEISH

M. C. FRENCH, C.A.
C. C. TERNAN

What is Canada Permanent?

Canada Permanent is a financial organization composed of Canada Permanent Mortgage Corporation and its subsidiary, Canada Permanent Trust Company. These two companies together provide comprehensive financial services to many thousands of clients through a chain of branches extending from coast to coast.

Canada Permanent Mortgage Corporation was established in Toronto in 1855 as Canada Permanent Building and Savings' Society, and was re-incorporated by Special Act of the Parliament of Canada in 1899. In 1912 Canada Permanent Mortgage Corporation decided to form a trust company to undertake the duties of executor, trustee, fiduciary agent, etc. and in 1913 incorporated The Canada Permanent Trust Company.

In 1961 The Canada Permanent Trust Company was amalgamated with The Toronto General Trusts Corporation to form Canada Permanent Toronto General Trust Company, this name being later shortened to Canada Permanent Trust Company. The Toronto General Trusts Corporation, incorporated in 1872, was the first trust company to be chartered in Canada.

On December 1, 1967 Canada Permanent Trust Company amalgamated with Eastern & Chartered Trust Company, the amalgamated company being known as Canada Permanent Trust Company. Eastern & Chartered Trust Company, in turn, was formed by the amalgamation in 1963 of Eastern Trust Company, incorporated in 1893 by Special Act of the Parliament of Canada, and Chartered Trust Company, incorporated in 1905, also by Act of Parliament. Eastern Trust Company was the second oldest trust company formed in Canada and commenced its operations in Halifax.

As of 31st December, 1967, more than 90% of the capital stock of Canada Permanent Trust Company (the amalgamated company) was owned by Canada Permanent Mortgage Corporation.

By combining the traditions of all these old and respected companies as well as their resources, Canada Permanent has reached impressive proportions with capital and reserves in excess of \$55,000,000, consolidated net profits of \$4,842,535 and total assets, including assets under administration, of \$2,769,932,857.



CANADA PERMANENT TRUST COMPANY · CANADA PERMANENT MORTGAGE CORPORATION

With which is merged

320 Bay Street, Toronto 1, Ontario

EASTERN & CHARTERED TRUST COMPANY

Telephone 362-7262

FOR IMMEDIATE RELEASE

Canada Permanent companies report consolidated total assets of \$1,071,530,545 on December 31, 1967. This places Canada Permanent in the forefront of the trust and mortgage industry and means that it can now be compared with the country's medium-sized banks.

Consolidated net profit for the year, after transferring \$1,922,000 to mortgage reserve, was \$4,842,535, equal to 70.6¢ per share.

Figures include those of Canada Permanent Mortgage Corporation and its subsidiary Canada Permanent Trust Company with which Eastern and Chartered Trust Company was merged in 1967. Comparative figures are not available this year because of differences in the accounting and reporting practices of the two companies constituting the amalgamated company.

C.F. Mackenzie, President, reported that the amalgamated Trust Company experienced an excellent year and record gains were made in all departments. Profits for 1967, after making full provision for mortgage reserves, deposit insurance premiums and all contingencies amounted to \$2,603,676.

The net profit of the Mortgage Corporation on the year's ordinary borrowing and lending operations showed an increase of approximately 2% over the corresponding figure for 1966 in spite of higher over-all costs. The assets of the Corporation grew by about \$58,000,000 as compared with the gain of \$41,200,000 in 1966. The dividend paid for the 1967 year was 55¢ per share, and commencing October, 1967, the stock was placed on a regular quarterly basis of 14¢.

Commenting on the merger, Mr. Mackenzie reported that the results of the merger will be beneficial to the shareholders of the Corporation because of the addition to the directorate and Advisory Boards of many capable business men, enlarged experience staff, and complementary operations of the two Trust Companies, particularly in the Atlantic Provinces and in Metropolitan Toronto. It is anticipated that, after combining certain offices, the companies will have seventy-five integrated branches with at least one in every province.

CONSOLIDATED INCOME ACCOUNT

Year Ended December 31, 1967

Mortgage interest	\$ 56,212,000
Fees, commissions and other revenue	29,400,000
Total Revenue	85,612,000
Less: Interest on deposits, etc	49,145,000
Operating expenses	25,431,000
Depreciation	931,000
Transfer to mortgage reserve	1,922,000
Total expenses	77,429,000
Add: Gain on sale of assets	206,000
Less: Income taxes	3,355,000
Minority interest in profits	192,000
Net profit	4,842,000
Earnings per share and dividend record	
Earned	70.6¢
Paid	55.0¢

CONSOLIDATED BALANCE SHEET - MAIN ITEMS

As at December 31, 1967

Cash and securities	\$253,848,000
Advances	1,599,000
Mortgages, less reserve	797,901,000
Office Premises	18,182,000
Consolidated assets	1,071,531,000
Assets under administration	1,698,402,000
Total Assets under administration	2,769,933,000
Deposits	135,026,000
Debentures	376,110,000
Guaranteed deposits and certificates	497,377,000
Other liabilities	3,311,000
Deferred income taxes	2,278,000
Minority Interest	2,424,000
Capital stock	13,715,000
Reserve fund	39,838,000
Undivided profits	1,452,000

